

Message Text

UNCLASSIFIED

PAGE 01 ABIDJA 05814 191455Z

ACTION EB-08

INFO OCT-01 AF-10 ISO-00 L-03 IO-14 NSC-05 AID-05
CIAE-00 COME-00 FRB-01 INR-10 NSAE-00 ICA-20
XMB-04 OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 AGR-01
/096 W

-----125878 191503Z /64

O R 191420Z JUN 78

FM AMEMBASSY ABIDJAN

TO DEPT OF TREASURY WASHDC IMMEDIATE

INFO SECSTATE WASHDC 9255

UNCLAS ABIDJAN 5814

E.O. 11652: N/A

TAGS: AFDF, EAID, EFIN

SUBJ: PROPOSED AFRICAN DEVELOPMENT FUND

LOAN FOR BENIN LIVESTOCK PROJECT

REF: (A) ABIDJAN 4731, (B) STATE 139181,
(C) TREASURY 0619422Z JUN 78, (D) COTONOU 0837

1. U.S. ALTERNATE EXECUTIVE DIRECTOR MET WITH
AFDF DIRECTOR OF OPERATIONS AND STAFF TO DISCUSS
U.S. RESERVATIONS REGARDING VIABILITY OF BENIN LIVESTOCK PROJECT
AS DESCRIBED REFTELS B, C AND D. AFDF STAFF CONFIRMED
THAT ANTICIPATED ECONOMIC AND FINANCIAL RETURN ON
PROJECT WERE LOW AND STATED THAT THIS WAS DUE TO
GOVERNMENT PRICING STRUCTURE FOR BEEF, AND PERHAPS TO
A LESSER EXTENT, INFLATED ESTIMATES OF PROJECT
RECURRING COSTS. DURING COURSE OF DISCUSSIONS,
MANAGEMENT DECIDED TO AMEND AFDF LOAN AGREEMENT
TO REQUIRE GOB TO REVIEW MEAT PRICES WITH A VIEW
TO RAISING THE PRICE AS NECESSARY TO MAINTAIN PROJECT
PROFITABILITY. DIRECTOR OF OPERATIONS, INFORMED
USAED THAT GOB SUBSEQUENTLY AGREED TO ACCEPT THIS
CONDITION.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ABIDJA 05814 191455Z

2. AFDF MANAGEMENT ALSO CONCEDED THAT PROJECT
EXECUTING AGENCY, SODERA, HAS POOR RECORD OF
ACCOMPLISHMENT, BUT INDICATED THAT UNDP HAS
INITIATED INTENSIVE PROGRAM (US \$1 MILLION) TO
STRENGTHEN AGENCY AND LIVESTOCK SECTOR IN BENIN.
AFDF STAFF ASSURES THAT AFDF PROJECT EXECUTION WILL

BENEFIT SIGNIFICANTLY FROM UNDP SPONSORED PROGRAM.

3. USAED ALSO QUESTIONED SODERA'S ABILITY TO IMPORT REQUIRED NUMBER OF CATTLE, GIVEN REGION'S LIVESTOCK CONDITIONS. MANAGEMENT INDICATES THAT GOB HAS SIGNED AGREEMENTS WITH UPPER VOLTA FOR PURCHASE OF NECESSARY IMPORTS.

4. USAED BELIEVES U.S. POSITION ON PROJECT SHOULD BE REVIEWED IN LIGHT OF AFDF MANAGEMENT'S DECISION TO ALTER TERMS OF LOAN TO INSURE PROJECT VIABILITY THROUGH PRICE ADJUSTMENT. THIS CHANGE AND THE ASSURANCES OF UNDP TECHNICAL ASSISTANCE TO STRENGTHEN EXECUTING AGENCY AND SECTOR, ADDRESS AND RELIEVE BULK OF U.S. CONCERNS. USAED RECOMMENDS AFFIRMATIVE NAC ACTION.
STEARNS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LIVESTOCK, DEVELOPMENT LOANS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 19 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ABIDJA05814
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780255-0232
Format: TEL
From: ABIDJAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780646/aaaabnri.tel
Line Count: 79
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0e0c4186-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 ABIDJAN 4731, 78 STATE 139181, 78 COTONOU 837
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2305277
Secure: OPEN
Status: NATIVE
Subject: PROPOSED AFRICAN DEVELOPMENT FUND LOAN FOR BENIN LIVESTOCK PROJECT
TAGS: EAID, EFIN, IV, AFDF
To: TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0e0c4186-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014